

return some or all of that in a subsequent year. This would allow for that the individual be able to deduct the federal credit. Now we, Nebraska law picks up the federal deduction but we do not allow for the federal credit. LB 458 would allow for the federal credit to be picked up. It, again, was an oversight with the passage of LB 773 that was totally unintended but was one that we are correcting now through LB 458. The chart that I passed out to you that Senator Hannibal asked me about which is difficult at best to understand, if you look at the top bracket there where we call people ordinary taxpayers, those are folks who pay taxes. They are withdrawn from...they receive a bi-monthly or monthly check, they have their taxes withdrawn at the time that they are paid. The bottom folks are the people that we're dealing with. Many of these are individuals who pay their taxes on a quarterly basis, they pay estimated taxes, they may be self-employed or whatever. And these individuals, under LB 458, many times did not...as you all know, your taxes for the fourth quarter when you pay an estimated tax is not due until January 31 of the following year.

SPEAKER BARRETT: One minute.

SENATOR HALL: So what happens there is that in this case those folks were not able to...they were not included in the taxable income, or they were included in the taxable income for 1988, fourth quarter of 1987 so basically what they were doing is being taxed twice for that income. LB 458 would correct that situation. With that, Mr. President, I would urge the adoption or, excuse me, the advancement of LB 458.

SPEAKER BARRETT: Thank you. Discussion? Senator Hall, I did cut you just a bit short. If you'd like...

SENATOR HALL: Mr. President, I thought that was intentional and you didn't hear me complain and I would urge the adoption and passage of LB 458.

SPEAKER BARRETT: Thank you for that charitable comment. Those in favor of the advancement of LB 458 please vote aye, opposed nay. Have you all voted? Please record.

CLERK: 28 ayes, 0 nays, Mr. President, on the advancement of 458.

SPEAKER BARRETT: LB 458 is advanced. LB 116.